



The MetroHealth System

Board of Trustees

Wednesday, September 25, 2024

2:30pm - 4:00pm

The MetroHealth System Board Room K-107 or via Zoom

Human Resources & Compensation Committee

Regular Meeting

The MetroHealth System Board of Trustees

HUMAN RESOURCES & COMPENSATION COMMITTEE

DATE: Wednesday, September 25, 2024
TIME: 2:30pm – 4:00pm
PLACE: MetroHealth Board Room K107
Cleveland, OH 44109 or via Zoom
<https://us02web.zoom.us/j/84696771215>

AGENDA

I. Approval of Minutes

A. Approval of Committee Meeting Minutes from June 21, 2024

II. Information Items

A. 2024 System Goal Updates – D. Watson and Executive Domain Owners

B. 2024 System Goals Audit Process – D. Watson

C. 2025 System Goals Timeline – D. Watson

III. Executive Session

Return to Open Meeting

IV. Recommendation/Resolution Approvals

A. Resolution for Approval of Compensation Adjustment for Acting CEO

The MetroHealth System Board of Trustees

HUMAN RESOURCES & COMPENSATION COMMITTEE MEETING

Date: Friday, June 21st, 2024

Time: 1:30-3:00 pm

via Zoom only

Meeting Minutes

Committee Members: Inajo Davis Chappell-R, John Corlett-R, John Moss-R, E Harry Walker-R

Other Trustees: Maureen Dee-R, Nancy Mendez-R, Michael Summers-R

Staff: Christine Alexander, M.D.-R, Kelly Andolek-R, Chris Briddell-R, Joseph Frolik-R, Joseph Golob, M.D. -R, Barbara Kakiris-R, Laura McBride-R, Tamiyka Rose-R, Deborah Southerington-R, Dalph Watson-R

Mr. Corlett called the meeting to order at 1:30 pm, in accordance with Section 339.02(K) of the Ohio Revised Code.

The minutes are written in a format conforming to the printed meeting agenda for the convenience of correlation, recognizing that some of the items were discussed out of sequence.

I. Approval of Minutes

The minutes of the March 27, 2024, Human Resources & Compensation Committee meeting were unanimously approved as submitted.

II. Information Items

A. HR/People Division Performance Dashboard with Key Performance Measures

Mr. Corlett turned the Committee members' attention to Ms. Watson and Ms. Southerington to provide an update on key performance measures, the People First culture strategy and the next People Division engagement strategy.

Ms. Watson and Ms. Southerington provided an overview of the division's performance metrics via PowerPoint presentation, highlighting:

- Recruitment and vacancy levels.
- Retention and turnover rates.
- Diversity hiring initiatives.

The MetroHealth System Board of Trustees

B. People First Culture Strategy

An update was given on the ongoing strategy to foster a People First culture within the organization.

C. Next People Division Engagement Survey

Plans for the upcoming engagement survey within the People Division were discussed.

III. Executive Session

Mr. Corlett ask for a motion to move into executive session: to discuss hospital trade secrets as defined in ORC 1333.61; to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee; and to conference with the public body's attorney to discuss a pending or imminent court action. Ms. Chappell motioned to move into executive session for the reasons stated by Mr. Corlett and Mr. Walker seconded the motion.

Upon unanimous roll call vote, the Committee went into executive session to discuss such matters at 2:03 p.m.

Following Executive Session, the meeting reconvened in open session at approximately 2:44 p.m.

There being no further business to bring before the Committee, the meeting was adjourned at approximately 2:45 p.m.

THE METROHEALTH SYSTEM

John Corlett, Chairperson



MetroHealth

Human Resources & Compensation Committee Meeting

Dalph Watson, JD

EVP, Chief People and Administrative Officer

September 25, 2024

A decorative graphic in the top right corner of the slide, consisting of numerous circles of various sizes and colors (orange, red, pink, purple, blue, teal, and green) arranged in a pattern that suggests movement or a cluster.

2024 System Goals Update

PBVC 2024 MEASURES AND GOALS

2024 Goal / Measure		Weight	Performance Level			Goal Sponsor	Domain Trustee
			Minimum	Target	Maximum		
			50%	100%	150%		
Financial Health (30%)							
1	Achievement of 2024 Adjusted EBIDA Budget ¹	30.0%	\$110 Million	\$140 Million	\$150 Million	Hollings/Ishmael	John Moss (Finance Committee)
Strategy & Growth (10%)							
1	Increase Share of Care Over Prior Year*	10.0%	0.25%	0.75% Improvement	1.25% Improvement	Chehade Lewis	Dr. E. Harry Walker (Exec Committee)
Quality, Safety, and Experience (20%)							
1	Decrease Rate of Inpatient Preventable Harm Over Prior Year*	10.0%	2023 Baseline	5% Improvement	10% Improvement	Golob	Dr. J.B. Silvers (Quality, Safety & Experience Committee)
2	Improvement of Patient Experience Over Prior Year*	10.0%	2.5% Improvement	5% Improvement			
People First Strategy (15%)							
1	Improvement of Employee Engagement Participation Rate*	15.0%	75%	77%	79%	Watson	Dr. E. Harry Walker (Exec Committee)
Clinical Transformation, Community, and Health Equity (15%)							
1	Improvement of Mom & Baby Health Equity*	7.5%	5 Points	7 Points	9 Points	Modlin/Chehade	Vanessa L. Whiting (Diversity & Health Equity Committee)
2	Improvement of Ambulatory Quality Value Based Care Metrics	7.5%	9 of 14 metrics at or above baseline	Minimum performance plus 7 metrics at target	Minimum performance plus 9 metrics at	Chehade/Golob	
Research & Teaching (10%)							
1	Increase Research / Education / Training Grant Applications Submitted *	10.0%	70 Applications	75 Applications	81 Applications	Chae	Dr. E. Harry Walker (Exec Committee)
		100%					

(*) 2024 Baseline and/or Performance Levels will be based on improvement from 2023 annual performance.

(1) EBIDA does not include any County Charity Care Funding

A decorative graphic in the top right corner of the slide, consisting of numerous circles of various sizes and colors (pink, orange, red, purple, blue, teal, green) arranged in a pattern that suggests movement or a cluster.

Financial Health Domain (30%)

Domain Owner(s)

Derrick Hollings, EVP Chief Financial and System Services Officer

Dr. Olusegun Ishmael, EVP Chief Operating Officer

Adjusted EBIDA Budget

Earnings Before Interest Depreciation Amortization (EBIDA) excluding Board-approved non-recurring charges, and GASB changes that artificially increase or lower EBIDA. Adjusted EBIDA does not include 2024 PBVC Program expense.

Min (50%)	Target (100%)	Max (150%)	YTD Goal	YTD Performance	%Target Year End
\$110M	\$140M	\$150M	\$91.1M	\$67.4M	74%

Goal achievement calculated by/based on:

- Data and audit documentation is based on direct output from MetroHealth's general ledger (Infor).
- Adjusted EBIDA is calculated as EBIDA with the following adjustments:
 - (1) 2024 PBVC program expense is added back in order to measure the System's financial achievement without the PBVC program expense included
 - (2) Remove the impact of any accounting standards implemented during the year, which were not contemplated or measurable when the budget was developed (GASB Changes) – None identified for 2024
 - (3) Remove Board-approved non-recurring charges – None approved at this time



Strategy & Growth Domain (10%)

Domain Owner(s)

Dr. Nabil Chehade, EVP Chief Clinical Transformation Officer

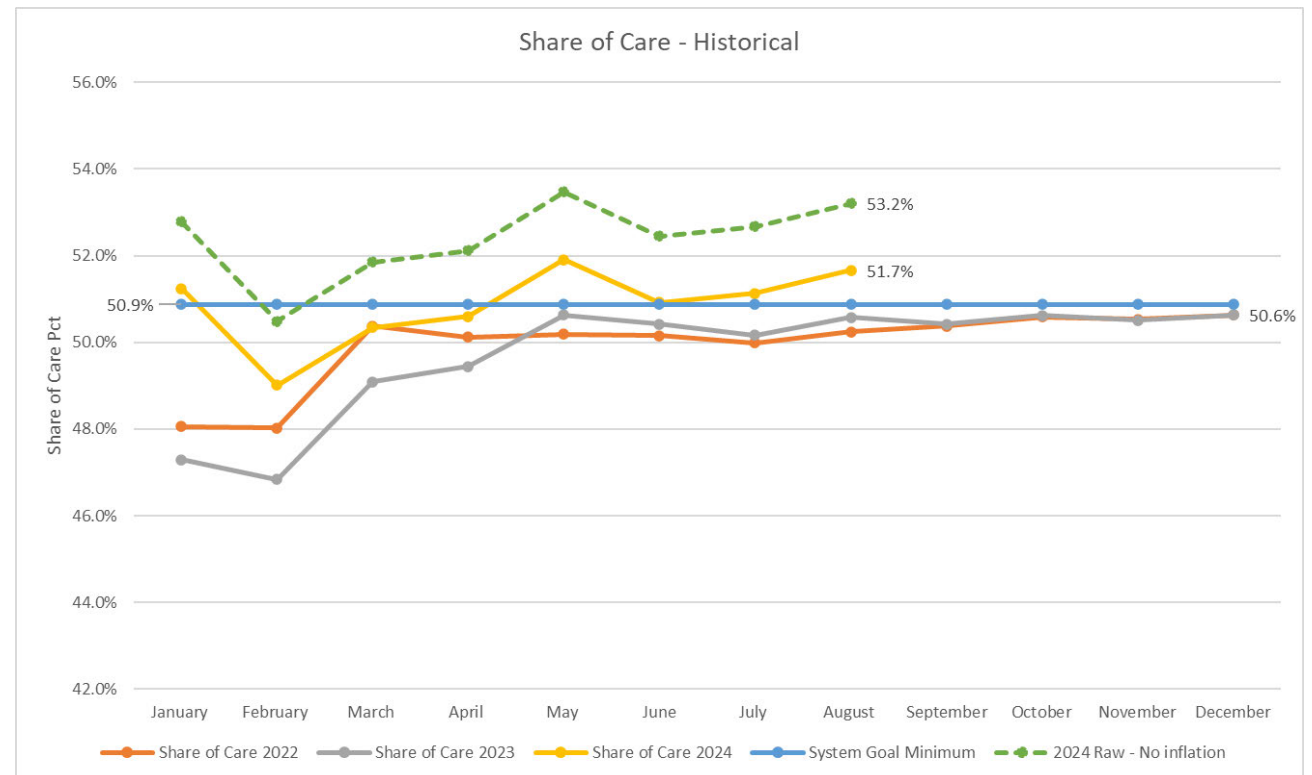
Dr. William Lewis, COO/President Ambulatory Division

Increase Share of Care Over Prior Year

Min (50%)	Target (100%)	Max (150%)	YTD Performance	%Target Year End
0.25% improvement	0.75% Improvement	1.25% Improvement	+ 1.1% *	+ 1.1% *

Current month:
Baseline Performance – 50.6%
YTD Raw Performance – 53.2%
YTD Adjusted Performance – 51.7% (+1.1%)*

**adjusted based on preliminary inflation and economic trends.
 Final adjustments will be applied based on prior agreed upon
 processes using published inflation and economic data.*



A decorative graphic in the top right corner consisting of numerous circles of various sizes and colors, including orange, red, pink, purple, blue, teal, and green, arranged in a pattern that suggests movement or a cluster.

Quality, Safety & Experience Domain (20%)

Domain Owner(s)

Dr. Joseph Golob, EVP Chief Quality & Safety Officer

Decrease Rate of Inpatient Preventable Harm Over Prior Year

Composite score of 18 publicly reported inpatient preventable harms. The number of harms over the course of the year a summed and normalized to 1,000 inpatient-days

Harm Score = Number of Harms / Inpatient days * 1,000

Min (50%)	Target (100%)	Max (150%)	YTD Performance (August 2024)	% of Target (Year End)
2023 Baseline 1.25 harms per 1,000 inpatient days	5% improvement 1.19 harms per 1,000 inpatient days	10% improvement 1.13 harms per 1,000 inpatient days	1.11 harms per 1,000 inpatient days	150%

Goal achievement calculated by/based on:

All harms are defined by standard definitions set forth by Agency of Healthcare Research and Quality (AHRQ), Centers for Medicare and Medicaid Services (CMS) and the National Healthcare Safety Network (NHSN). Data for all confirmed harms as well as the inpatient days are captured from EPIC and billing software. Each harm is confirmed and stored monthly with appropriate screen shots and time/date stamps. Data and calculations are then reviewed and audited by the quality analytics team.

Improvement Patient Experience Over Prior Year

Composite performance including all 10 domains of the HCAHPS as well as 2 questions from the ED and Ambulatory real time survey. Scores in each domain are normalized utilizing standardized CMS Star Rating cut points and calculations to create a single value composite score.

Min (50%)	Target (100%)	Max (150%)	YTD Performance (through July)	% of Target (Year End)
2.5% improvement 3.15 Composite Score	5% Improvement 3.20 Composite Score	10% Improvement 3.30 Composite Score	3.30	150%

Goal achievement calculated by/based on:

All data with appropriate screen shots is supplied by our HCAPHS vendor NRC. Standard calculation used to calculate CMS-stars were utilized. Data is collated and verified by our Patient Experience data specialist. Results are reviewed by the Quality Data Analytics team. The final end of year performance will be performed on February 1, 2025, to ensure adequate time to return surveys.



People First Strategy (15%)

Domain Owner(s)

Dalph Watson, JD, EVP Chief People & Administrative Officer

Improvement of Employee Engagement Participation Rate

Increasing workforce engagement through engagement survey participation levels.

Min (50%)	Target (100%)	Max (150%)	YTD Performance	% of Target (Year End)
75%	77%	79%		

Goal achievement calculated by/based on:

- The 2023 actual participation rate reached 77%, far above our initial target and superseding our max goal.
- 2023 Maximum goal (71%) is within industry standard for health care organizations.

Survey Launch Timeline:

- October 22, 2024: Survey Launch
- November 15, 2024: Survey Close
- December 2024: Final Response Rate Reports
- January 2025: Survey Results Distributed to Leaders

A decorative graphic in the top right corner of the slide, consisting of numerous circles of various sizes and colors (including orange, red, pink, purple, blue, teal, and green) arranged in a pattern that suggests movement or a cluster.

Clinical Transformation, Health Equity, & Community Impact (15%)

Domain Owner(s)

Dr. Nabil Chehade, EVP Chief Clinical Transformation Officer

Dr. Charles Modlin, VP Chief Health Equity Officer

Dr. Joseph Golob, EVP Chief Quality & Safety Officer

Improvement of Ambulatory Quality Value Based Care Metric

Composed of 14 ambulatory metrics with standardized definition. Each metric has its own baseline, min, target, and max. To meet minimal performance 9 of 14 metrics must be at baseline or better. For target, the minimum performance must be met plus 7 individual metrics achieving target, and max will require minimum performance plus 9 individual metrics achieving target.

Min (50%)	Target (100%)	Max (150%)	YTD Performance	% of Target (Year End)
9 of 14 Metrics at or above baseline	Minimum performance plus 7 metrics at target	Minimum Performance plus 9 metrics at target	Greater than 9 metrics meeting baseline and 7-8 metrics at target	100%

Goal achievement calculated by/based on:

- Calculated by the number of metrics meeting defined performance targets each month.
- To meet minimum 9 or more measures must meet baseline performance.
- To meet target minimum threshold must be met and 7 or 8 measures must be at target performance or better.
- Projecting that 9 to 11 measures will meet baseline performance, and 7 to 8 measures will be at target or better.

Improvement of Mom & Baby Health Equity

Composite goal of prenatal care, postpartum care visit, and well-child visits in the first 15 months of life.

Min (50%)	Target (100%)	Max (150%)	YTD Performance	% of Target (Year End)
5 Points	7 Points	9 Points	9 Points	150%

Goal achievement calculated by/based on:

- Points are given for each measures achieving performance targets and/or eliminating disparity. 1 point for threshold, 2 points for target and 3 points for stretch on individual metrics. An additional point is added for each metric that eliminates disparity.
- Metric performance targets are percentage of patients compliant with the standard.
- Elimination of disparity is calculated by a p-value comparing race for each measure (p-values greater than 0.05).
- Projecting that all three measures will meet stretch performance (9 points).

A decorative graphic in the top right corner of the slide, consisting of numerous circles of various sizes and colors (orange, red, pink, purple, blue, teal, green) arranged in a pattern that suggests movement or a cluster.

Research & Teaching (10%)

Domain Owner(s)

Dr. John Chae, EVP Chief Academic Officer/Sr Assoc Dean CWRU

Increase Research/Education/Training Grant Applications Submitted

The number of applications for MetroHealth's research, education, and training programs (private and public) processed by Research Administration Business Office (RABO) that drive funding.

Min (50%)	Target (100%)	Max (150%)	YTD Performance	% of Target (Year End)
70 Applications	75 Applications	81 Applications	As of 8/31: 70 Annualized: 105	As of 8/31: 93.3% Annualized: 140%

Goal achievement calculated by/based on: Documented submission of grant applications

- Rational 1: Screenshot of official portal of granting agency acknowledging receipt
- Rational 2: If there is not official portal, screenshot of email associated with grant submission

A decorative graphic in the top right corner consisting of numerous circles of varying sizes and colors, including orange, red, pink, purple, blue, teal, and green, arranged in a pattern that suggests movement or a cluster.

2024 System Goals Audit Process

2024 Audit Process

- **Option 1**: Re-engage EY to conduct System Goals audit. This presents a few risks:
 - May take time to reengage and educate on prior audit process.
 - KPMG determined the goals are auditable and need alignment from EY.
 - Delay in finalizing 2024 Goal achievements and creation of 2025 goal planning.
- **Option 2**: Engage Deloitte for 2024 System Goals audit process only.
 - Engagement can start immediately and will not delay finalizing goal achievements.
 - EY engaged to review and audit the 2025 System Goals.
- **Option 3**: Engage Deloitte to review and audit 2024 System Goals as well as the 2025 System Goals.

A decorative graphic in the top right corner consisting of numerous circles of varying sizes and colors, including orange, red, pink, purple, blue, teal, and green, arranged in a pattern that suggests movement or a cluster.

2025 System Goals Timeline

Goal Timeline – Option 1

Auditability Assessment of Goals, Measures, and Weighting

October 1 - November 1, 2024

- Executive leadership meets to discuss potential goals, measures, and weighting.
- Internal Audit confirms, in writing, that each goal is auditable.
- Compensation Consultant reviews proposed goals to confirm industry standards in a written report.

Finalize Goal Proposal

November 4, 2024

- 2025 System Goals and Measures Proposal ("Proposal") finalized by CEO and Management.

Goal Review by Appointed Trustees

November 11, 2024

- The Board Chair and CEO identify a Trustee to provide further review of each proposed Goal.
- Each Goal owner meets with the assigned Trustee to provide information and answer questions.

Proposed 2025 System Goals Submitted to HR & Comp Committee

December 18, 2024

- Once each goal domain owner reviews with their respective Trustee, the full set of proposed Goals is submitted to the HR & Compensation Committee, along with documentation of IA and Comp Consultant sign-offs.
- Goals will be presented to the HR & Comp Committee for review and discussion.

Board Vote on Proposed 2025 System Goals

January 2025

- The proposed 2025 System Goals and Measures are submitted to the full Board for vote.

Goal Timeline – Option 2

Auditability Assessment of Goals, Measures, and Weighting

December 2024

- Executive leadership meets to discuss potential goals, measures, and weighting.
- Internal Audit confirms, in writing, that each goal is auditable.
- Compensation Consultant reviews proposed goals to confirm industry standards in a written report.

Finalize Goal Proposal

February 2025

- 2025 System Goals and Measures Proposal ("Proposal") finalized by CEO and Management.

Goal Review by Appointed Trustees

February 2025

- The Board Chair and CEO identify a Trustee to provide further review of each proposed Goal.
- Each Goal owner meets with the assigned Trustee to provide information and answer questions.

Proposed 2025 System Goals Submitted to HR & Comp Committee

February 2025

- Once each goal domain owner reviews with their respective Trustee, the full set of proposed Goals is submitted to the Compensation Committee, along with documentation of IA and Comp Consultant sign-offs.
- Goals will be presented to the HR & Comp Committee for review and discussion.

Board Vote on Proposed 2025 System Goals

March 2025

- The proposed 2025 System Goals and Measures are submitted to the full Board for vote.

QUESTIONS



Approval of Compensation Adjustment for Acting CEO

RESOLUTION _____

WHEREAS, on July 26, 2024, consistent with policy BOT-04, CEO Emergency Succession Plan ("BOT-04") the Board of Trustees of The MetroHealth System (the "Board") appointed Christine Alexander Rager, MD as Acting CEO; and

WHEREAS, BOT-04 contemplates that the Executive Committee of the Board shall consider whether the Acting CEO should receive additional compensation in light of the Acting CEO's increased responsibilities, effective 30 days after the Acting CEO is appointed.

NOW, THEREFORE, BE IT RESOLVED, the Executive Committee of the Board hereby approves the adjustment of the Acting CEO's base salary to an annualized [REDACTED] effective July 26, 2024.

BE IT FURTHER RESOLVED that effective July 26, 2024, the Acting CEO's target Performance Based Variable Compensation ("PBVC") incentive is set at 35% of the Acting CEO's revised base salary.

BE IT FURTHER RESOLVED that the Acting CEO's base salary and PBVC target incentive set forth in this Resolution will continue until the earlier of: (1) further action by the Executive Committee of the Board to adjust the Acting CEO's compensation pursuant to BOT-04; or (2) the conclusion of Dr. Alexander Rager's appointment as Acting CEO.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE: